THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) An understanding has been reached with the World Bank for a step up in IBRD lending for infrastructure sector.

(b) Better project preparation, procurement planning, closer monitoring and better alignment of Bank's procedures with those of project implementing agencies are some of the steps that are taken for ensuring speedy implementation of projects.

(c) World Bank aligns its lending commitments for India with the development objectives and the strategies identified in the country's Five Year Plans.

Unfair trading practices by Mutual Fund companies

672. DR. MANMOHAN SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to charges of unfair trading practices (such as late trading) being framed against some important mutual fund managers in the USA;

(b) whether Government or SEBI have looked into the working of the mutual funds in India to find out if similar unfair trading practices are also prevalent in India; and

(c) if so, what are the findings of such an investigation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) Yes Sir.

(b) and (c) SEBI had sought details from mutual funds in this regard. Based on the reply received, it is noted that one mutual fund i.e. Alliance Mutual Fund had back dated NAVs in two subscription transactions of September 30,2003. Accordingly, adjudication proceedings have been initiated against Alliance Mutual Fund and its asset management company.

Index of share prices

673. SHRI NILOTPAL BASU: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the index of share prices has moved up considerably during the last few months;

(b) if so, the comparative figures of turnover and capitalization in the Bombay Stock Exchange and National Stock Exchange during the corresponding period; and

(c) whether on the basis of this comparative figures, it is correct to refer to sensex as distinct from NIFTY to measure market growth?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) The Sensex has moved up from 3037.54 on April 1,2003 to 5225.90 on December 4,2003, an increase of 2188 points or 72%. During the same period NIFTY has moved up from 977.40 to 1675.20, an increase of 698 points or 71%.

(b) The figures of turnover and capitalization on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) during the corresponding period are given in the enclosed Statement (See below).

(c) The index is an indicator of market movement 'resented by basket of stocks that comprise the index. NIFTY tracks the composite movement of 50 stocks on NSE and SENSEX tracks the composite movement of 30 stocks on BSE. By and large the co-relation of movement of these indices are high as mentioned in the reply to part (a) of the question.

Statement

Details of turnover and market capitalisation of NSE and BSE

(Rs. Crores)

	NSE		BSE	
	April 2003	November 2003	April 2003	November 2003
Turnover (Cash Segment)	48,970	92,886	20,822	45,029
Market Capitalisation	5,37,133*	9,79,540**	5,72,197*:	10,65,853**

*As on April 1,2003

**As on November 28, 2003